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CPW Report No. 12 - COMMUNIST CHINA

(Mar. 3-9, 1952)

## SUMMARY

Efforts to maintain the enthusiasm of the general public still were apparent in special broadcasts of rallies. However, the main concentration in promoting the drive seemed to be among cadres, and among special groups, such as shop clerks and women. The pattern of confessions and accusations at public rallies remained, but practically all the rallies reported were among special groups, and the pressure seemed to be aimed at forcing confessions from persons, mainly businessmen, who already had been accused. The religious fervor noted in early reports of confession and accusation meetings seemed lacking.

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steps had been taken to "adjudicate cases of corruption among merchants." Wuhan announced that of the 44,500 cases of corruption processed, only 1,500 were of major importance. There seemed to be a desire to have done with the "small fry" and concentrate on the important cases, the "big tigers."

Greater consideration was given to special awards and commendations. A Hangchow broadcast offered commendations to the 1,000 firms which had no corruption, "or only minor cases." Cadres were told that special recognition would be given at the end of the drive to those who had done good work. The Youth Corps presented special awards to individuals. Dairen reported awards to several shop clerks for their "individual efforts" in exposing merchants. This all seems to reflect a desire for more speed in promoting the drive.

Considerable resistance to the anticorruption drive still was apparent, especially among businessmen. Much was said about the capitalists' infiltration of Government organs and corruption of cadres by capitalists. Tsinan reported that in one Government unit it was discovered that 30 percent of the cadres were "plants" by capitalists who still maintained their private business interests. One corrupt merchant was said to have contacts in 18 of the 22 local Government offices. A report from Chungking said that businessmen in that city had "20 kinds of illegal organizations" aimed at undermining State enterprises. An intercepted service message sent in numeral code from Peking to all news offices praised an article by Comrade Hsu Chung-nei: "An estimation of the capitalist attacks as seen by the spiraling prices in Shanghai," which "exposed capitalist attacks upon the Nation and the people." News offices were invited to search for similar illustrations that would "expose the insane attacks of the capitalist class." Yet some broadcasts also continued to insist that the present Government has been especially beneficial to private businessmen. One Kunming broadcast claimed that under the Communists the number of private businessmen in Kunming had grown from 7,972 to 12,516 in 1951 alone, with many firms that had been forced to close under the Kuomintang now prospering.

Some more direct resistance to the anticorruption drive by businessmen was noticed. Threats against clerks, beating of employees to prevent exposure of corruption, and mutual alliances of corrupt businessmen with cadres and employees frequently were mentioned. In several instances it was considered desirable to repeat regulations adopted earlier forbidding businessmen from oppressing workers, holding back wages, firing employees, or closing their shops during the drive. Kunming reported the most widespread resistance, with 56 woodenware merchants closing their shops, 8 oppressing workers, and 40 others refusing full cooperation in the drive. Earlier, hardware merchants in Kunming had been reported uncooperative. Hangchow also reported that merchants were lax, "or even recalcitrant," about paying their 1951 income taxes.

Resistance among cadres and shop clerks seemed more obvious than in the past. In numerous cases cadres and shop clerks were told to "correct their rightist thought," or "overcome their hesitancy," and a growing number of "indoctrination" sessions seemed to be necessary. Meetings were called to "urge backward workers" to accuse employers, and in Tsinan technical workers were accused of having "bourgeois leanings" and a "lack of interest in politics." Hangchow admitted that shop clerks "are tired and are looking forward to the end of the drive." In some instances leading cadres even were represented as considering certain corrupt elements as "able and worthy of emulation." Considerable work still was deemed necessary among senior clerks and accountants to enlist them in the drive.

With concentration now definitely on the "big tigers," the results might be considered somewhat disappointing. Arrests for corruption were reported from all over China, but the number of "big tigers," those whose corruption reached 100 million yuan or more, was smaller than the number of minor cases. Also, corrupt Government officials outnumbered the businessmen cited. Most corruption figures, even for the big tigers, were relatively small, only a few cases going above one

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billion yuan. On the other hand, among Government officials dismissed for corruption were the Publicity Director and several other important Committee members of the Central and South China Military and Administrative Committee.

The most noticeable trend in the anticorruption drive was the obvious attempt to get it back to its original purpose--to prevent waste and stimulate economic production. Several frank admissions that the drive had disrupted the economy were heard, with actual Government losses in one case placed at 50 million yuan, and with one mill operating only at 6 percent of capacity. In several instances large segments of cadres were ordered to drop the anticorruption drive and devote their efforts to bringing production back to normal. Numerous broadcasts claimed that the drive actually had increased production; relatively new claims, but more numerous, were the pledges of future increases "as a contribution" to the anticorruption drive.

Fear of drought in North China and anxiety at the backwardness in preparations for spring farming were reflected in many broadcasts. In several instances new orders were given to rural cadres to give up the anticorruption drive, get spring farming started, and make preparations to fight the drought. New fears of a food shortage were reflected in reports that in some sections of Chekiang Province the "cadres had been complacent" and allowed severe insect damage, amounting to 85 percent of the harvest in one hsien. Shortage of draft oxen also was again mentioned. Land reform still retained a place in regional broadcasts, but reports were limited to two provinces--Kiangsi and Yunnan--in both of which considerable resistance was admitted.

New charges still were being made that Chinese merchants and contractors had undermined efforts of the Chinese Volunteers in Korea, though the new cases reported were not quite as spectacular as the earlier ones and were not given as great a propaganda play. Private contractors were said to have sent spoiled food, improperly repaired vehicles, and fake drugs to the Volunteers, and the Wuhan radio reported the arrest of a Canton businessman who "exported goods to the American imperialists for use in Korea." Attempts to stimulate feeling against these businessmen were apparent in the "protests" broadcast from various groups, though there seemed to be a decline in the intensity of this campaign. There also was a decline in protests at the use of bacteriological warfare by U.N. forces in Korea, but what may have been one aim of this propaganda venture was being achieved. Several broadcasts told of volunteer medical groups departing for the Korean front "to fight bacteriological warfare." The need for medical groups in Korea to cope with epidemics there may have been one phenomenon that inspired the anti-bacteriological-warfare campaign.

International Women's Day, Mar. 8, was used as a means for enlisting women more fully in the anticorruption campaign. Though numerous women's meetings were held throughout China, and practically every broadcast for several days mentioned the occasion, only minor efforts were devoted to publicizing the new marriage law or other gains of women. Most propaganda directed at the women in connection with the celebration seemed to be aimed at making them more active in reporting cases of corruption among their husbands and employers. Noteworthy was the apparently complete absence of any attempt to exploit the progress of women in the USSR, or the desirability of the Chinese women's following the happy example set by their more advanced sisters in Russia.

A report from Kunming revealed that the Kunming Military Control Committee had called for registration of all civil aviation equipment for possible use by the Government "upon demand." So far no similar steps have been noted from any section of China other than the border province of Yunnan, which is adjacent to both Burma and Vietnam.

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